
EXHIBIT 2

PURCHASE AGREEMENT

Between

NEXTWAVE TELECOM INC.,

NEXTWAVE PERSONAL COMMUNICATIONS INC.,

NEXTWAVE PARTNERS INC.,

NEXTWAVE POWER PARTNERS INC.

and

CINGULAR WIRELESS LLC

Dated August 4, 2003

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PURCHASE AGREEMENT

This Purchase Agreement (together with any agreements and schedules attached hereto, the "Agreement") is entered into on August 4, 2003 by and between NextWave Telecom Inc., a Delaware corporation ("NextWave Telecom"), NextWave Personal Communications Inc., a Delaware corporation and wholly owned subsidiary of NextWave Telecom ("NextWave Personal Communications"), NextWave Partners Inc., a Delaware corporation and wholly owned subsidiary of NextWave Telecom ("NextWave Partners"), NextWave Power Partners Inc., a Delaware corporation and wholly owned subsidiary of NextWave Partners ("NextWave Power Partners," and together with NextWave Telecom, NextWave Personal Communications and NextWave Partners, "Sellers"), and Cingular Wireless LLC, a Delaware limited liability company ("Buyer").

WHEREAS, each of the Sellers has commenced a case (collectively, the "Chapter 11 Cases") under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") (such Chapter 11 Cases are being jointly administered under case number 98-B 21529(ASH));

WHEREAS, Sellers have been granted authorizations by the FCC to construct and operate broadband PCS systems on the frequencies and in the BTAs as described on the attached Exhibit A (collectively, the "Licenses"); and

WHEREAS, Sellers wish to sell the Licenses to Buyer, and Buyer wishes to purchase the Licenses from Sellers, in the manner and subject to the terms and conditions set forth in this Agreement and pursuant to Section 363 of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, do hereby agree as follows:

ARTICLE I. PURCHASE AND SALE

1.1 Purchase and Sale. On the Closing Date, and upon the terms and conditions set forth herein and subject to the approval of the Bankruptcy Court pursuant to Section 363 of the Bankruptcy Code, Sellers shall sell, transfer, convey, assign, and deliver to Buyer, and Buyer shall purchase and accept from Sellers, all of Sellers' right and interest in and to the Licenses, free and clear of all Encumbrances.

1.2 Purchase Price Payable at Closing.

(a) The aggregate purchase price (the "Purchase Price") for the Licenses shall be One Billion Four Hundred Million Dollars (\$1,400,000,000.00). At the Closing, in exchange for the Licenses, Buyer shall (i) pay or deliver to Sellers, by wire transfer in immediately available funds (to an account which shall be designated in writing at least five (5) business days prior to Closing by Sellers), the Purchase Price, reduced by (a) the Indemnity Escrow Amount and (b) the FCC Direct Payment, (ii) deliver the Indemnity Escrow Amount to the Escrow Agent

to be held in escrow and administered in accordance with the terms of the Escrow Agreement and (iii) deliver, on behalf of the Sellers, the FCC Direct Payment to the United States Treasury. The payments made by Buyer pursuant to, and in the manner required by, this Section 1.2(a) shall constitute payment in full by Buyer to all of the Sellers.

(b) At or before the Closing, the parties shall make a good faith allocation of the Purchase Price. After the Closing, the parties shall make consistent use of such allocation, fair market value and useful lives for all tax purposes and in all filings, declarations and reports with the IRS in respect thereof, including the reports required to be filed under Section 1060 of the Internal Revenue Code, if any.

1.3 Excluded Liabilities. Buyer shall not assume, or otherwise be responsible for any liabilities, obligations, taxes or indebtedness of Sellers or any of their Affiliates (including, without limitation, any such liabilities, obligations, taxes or indebtedness related to the Licenses), whether direct or indirect, liquidated or unliquidated, known or unknown, whether accrued, absolute, contingent, matured, unmatured or otherwise, and whether arising out of occurrences prior to, at or after the Closing (collectively, the "Excluded Liabilities"). Without limiting the generality of the foregoing, all of Sellers' cost sharing obligations to other PCS licensees (or to microwave incumbents) relating to its operations prior to the Closing and all of Sellers' relocation obligations triggered by its operations prior to the Closing (each such liability a "Microwave Relocation Liability" and, collectively, the "Microwave Relocation Liabilities") shall remain Sellers' obligation and responsibility and shall not be assumed by or otherwise become the responsibility of Buyer, even if such costs and obligations are not brought to the attention of either Sellers or Buyer until after the Closing. Allowed claims for payment of Microwave Relocation Liabilities arising prior to the Closing shall be treated as administrative expenses in the Sellers' Chapter 11 Cases, entitled to priority of payment with other administrative expenses pursuant to Section 503(b) of the Bankruptcy Code and shall be paid, to the extent and in the amount of the liability, as determined by agreement of the Sellers or by Final Order of the Bankruptcy Court, pursuant to (x) the plan of reorganization of the Sellers as confirmed by Final Order of the Bankruptcy Court or (y) at the Sellers' option, otherwise pursuant to Final Order of the Bankruptcy Court. From and after the Closing, the Sellers shall maintain an adequate reserve for payment of administrative expenses, including, but not limited to, Microwave Relocation Liabilities. Notwithstanding any provision of this Agreement to the contrary, the Sellers, and each of them, and all parties in interest in the Sellers' Chapter 11 Cases shall have the right to object to any and all claims for payment of Microwave Relocation Liabilities, and the Bankruptcy Court shall retain jurisdiction to consider and determine the allowance of such claims.

ARTICLE II. CLOSING

2.1 Closing. The closing of the transfer of the Licenses (the "Closing") shall occur at the offices of Buyer at 10:00 A.M., local time, on a date to be specified by Buyer to Sellers, which closing date will not be more than ten (10) business days after the fulfillment or waiver of the parties' respective conditions to closing set forth in Articles VII and VIII, or such other time and place as the parties may agree (such date, the "Closing Date")

2.2 Closing Deliveries of Buyer. Subject to fulfillment or waiver of the conditions set forth in Article VII, at the Closing, Buyer shall deliver all of the following:

(a) Immediately available funds in the manner described in Section 1.2 in accordance with the payment instructions to be provided by Sellers and the Escrow Agent to Buyer prior to the Closing;

(b) A certificate of the secretary or assistant secretary of Buyer, dated as of the Closing Date, as to the action by the manager of Buyer authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby;

(c) A certificate of an officer of Buyer, dated the Closing Date, certifying that as of such Closing Date, (i) each representation and warranty of Buyer contained in this Agreement is true and correct in all material respects and (ii) Buyer has complied in all material respects with all of its covenants, agreements and obligations under this Agreement;

(d) A bill of sale transferring the Licenses to Buyer, in the form set forth on Exhibit C attached hereto, duly executed by Buyer; and

(e) The Escrow Agreement duly executed by Buyer.

2.3 Closing Deliveries of Sellers. Subject to fulfillment or waiver of the conditions set forth in Article VIII, at the Closing, each of the Sellers shall deliver all of the following.

(a) A certificate of an officer of each of the Sellers, dated the Closing Date, certifying that as of such Closing Date, (i) each representation and warranty of such Seller contained in Sections 3.3(c), 3.4, 3.5, 3.6, 3.8, 3.9 and 3.10 of this Agreement is true and correct, (ii) each other representation and warranty of such Seller contained in this Agreement is true and correct in all material respects and (iii) such Seller has complied in all material respects with all of its covenants, agreements and obligations under this Agreement;

(b) A certificate of the secretary of each of the Sellers, dated as of the Closing Date, as to the resolutions of the Board of Directors of such Seller authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby;

(c) A bill of sale transferring the Licenses to Buyer, in the form set forth on Exhibit C attached hereto, duly executed by Sellers;

(d) Opinions of Sellers' legal counsel, dated as of the Closing Date, covering the matters set forth on Exhibit D attached hereto; and

(e) The Escrow Agreement duly executed by Sellers.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers hereby jointly and severally represent and warrant to Buyer as follows:

3.1 Organization of Sellers. Each of the Sellers is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the Sellers is duly qualified and in good standing as a foreign corporation in each of the jurisdictions where such qualification is required by law, except for the failure of which would not impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or would not be reasonably likely to materially delay or materially impair Sellers' ability to consummate the transactions contemplated by this Agreement.

3.2 Authority of Sellers; Enforceability.

(a) Subject to the limitations imposed on each Seller as a result of having filed a petition for relief under the Bankruptcy Code, each of the Sellers has the full corporate power and authority to own its Licenses. Subject to the Sale Order and the Bidding Procedures Order becoming Final Orders, each of the Sellers has the full corporate power and authority to execute, deliver and perform this Agreement and any agreement, document or instrument executed and delivered pursuant to this Agreement or in connection with this Agreement. The execution, delivery and performance of this Agreement and any agreement, document or instrument executed and delivered pursuant to this Agreement or in connection with this Agreement by each of the Sellers has been duly authorized and approved by all necessary corporate action of such Seller. The execution, delivery and performance of this Agreement and consummation of the transactions contemplated hereby do not require any approval or consent of the holders of capital stock of any of the Sellers.

(b) Subject to the Sale Order and the Bidding Procedures Order becoming Final Orders, this Agreement is the legal, valid and binding obligation of each of the Sellers, enforceable against each of them in accordance with its terms.

3.3 No Conflicts. Subject to the Sale Order, the Bidding Procedures Order and the FCC Consent becoming Final Orders and the HSR Approval, neither the execution and delivery of this Agreement nor the consummation of any of the transactions contemplated hereby nor compliance with or fulfillment of the terms, conditions and provisions hereof will:

(a) Violate or conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under, or require any notice to, authorization or approval of, filing with or consent under: (1) the certificate of incorporation or bylaws of any of the Sellers; (2) any note, indenture, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which any of the Sellers is a party or any of its properties is subject or by which any of the Sellers is bound; (3) any Court Order to which any of the Sellers is a party or by which it is bound; or (4) any Requirements of Laws affecting any of the Sellers;

(b) Require the approval, consent, authorization or act of, or the making by the Sellers of any declaration, filing or registration with any Person, or

(c) Result in the creation or imposition of any Encumbrance on any of the Licenses.

3.4 The Licenses.

(a) Each of the Sellers has all state, local and federal permits, licenses, franchises, variances, exemptions, orders, operating rights and other state, local and federal governmental authorizations, consents and approvals, if any, necessary to conduct their business as presently conducted, except for those the absence of which would not impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or would not be reasonably likely to delay or impair Sellers' ability to consummate the transactions contemplated by this Agreement.

(b) Sellers have performed as of the date of this Agreement, and will have performed as of the Closing Date, all of their respective obligations required to have been performed under the Licenses as of such dates, except for the non-performance of which would not impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or would not be reasonably likely to delay or impair Sellers' ability to consummate the transactions contemplated by this Agreement. No event has occurred or condition or state of facts exists which constitutes or, after notice or lapse of time or both, would constitute a breach or default under the Licenses which permits or, after notice or lapse of time or both, would permit revocation, cancellation, suspension or adverse modification of the Licenses, or which might adversely affect the rights of Sellers under the Licenses, except for the occurrence of which would not impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or would not be reasonably likely to delay or impair Sellers' ability to consummate the transactions contemplated by this Agreement. Except as set forth in Schedule 3.4(c), the Licenses are valid and in full force and effect and have been granted by the FCC by Final Order. Subject to the Sale Order, the Bidding Procedures Order and the FCC Consent becoming Final Orders and HSR Approval, the Licenses may be assigned and transferred to Buyer in accordance with this Agreement and will continue in full force and effect thereafter without the consent, approval, or act of, or the making of any filing with, any Governmental Body. The Licenses (i) were granted on the grant dates specified on Exhibit A and (ii) expire on the expiration dates specified on Exhibit A.

(c) Except for the Chapter 11 Cases and except as set forth on Schedule 3.4(c), (i) there are no judicial or administrative claims, actions, suits, demands, proceedings or investigations pending or, to the knowledge of the Sellers, threatened against any of the Sellers or any Affiliate thereof relating to any of the Licenses in, before or by any court or Governmental Body, (ii) there is no judgment, decree or injunction outstanding against any of the Sellers or any Affiliate thereof relating to or involving the Licenses, (iii) there is no rule or order outstanding against any of the Sellers or any Affiliate thereof relating to or involving the Licenses that would impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or that would create any Encumbrances that would not be released pursuant to the Sale Order and (iv) there are no unsatisfied judgments against any of the Sellers or any Affiliate thereof with respect to the Licenses.

(d) Except as set forth in Schedule 3.4(c), each of the Sellers is qualified under the FCC's rules and the Communications Act to hold and convey the Licenses held by it, and has been so qualified continuously since the filing of the applicable FCC Form 175 application to participate in bidding on the right to use the frequencies encompassed by each of the Licenses. Except as set forth in Schedule 3.4(c), to the knowledge of Sellers, there are no facts or circumstances relating to the FCC qualifications of Sellers or any of their Affiliates that would prevent or materially delay the FCC's grant of any FCC Form 603 (or other appropriate form) application under FCC rules and the Communications Act.

(e) Each of the Sellers has submitted to the FCC, on Form 601, a timely notification of its satisfaction of the five-year construction benchmark applicable to each of the Licenses held by it as mandated by 47 C.F.R. § 24.203. The factual assertions of the Sellers in each Form 601 are true and correct in all material respects. The file number and grant date for each applicable benchmark notification is specified on Exhibit A.

3.5 Interests in Licenses. Except as described on Schedule 3.5, each of the Sellers validly holds and has the right to control and operate its Licenses, free and clear of all Encumbrances. Notwithstanding anything to the contrary in this Agreement, upon delivery to Buyer on the Closing Date, subject to the Sale Order and the FCC Consent having become Final Orders, Buyer will validly hold and have the right to control and operate the Licenses, free and clear of all Encumbrances. There are no obligations under 47 C.F.R. § 1.2111(d), 47 C.F.R. § 24.714 or otherwise, to repay to the U.S. Government or any other party bidding credits utilized by Sellers in connection with the auctions in which the right to use the frequencies encompassed by the Licenses was awarded that are not satisfied by the FCC Direct Payment.

3.6 No Violation, Litigation or Regulatory Action. Sellers have complied in all material respects with all Requirements of Law applicable to the Licenses. As of the date hereof, Sellers have made all regulatory filings required, and paid all fees and assessments imposed, with respect to the Licenses by any Governmental Body, and all such filings and the calculation of such fees, are accurate in all material respects. Except as set forth in Schedule 3.4(c), there is no investigation, claim, action, suit or other proceeding pending or, to the best knowledge of the Sellers, threatened against any of the Sellers, relating to any of the Sellers or the Licenses which, if adversely determined, would result in the revocation, cancellation, suspension or adverse modification of the Licenses, nor are any of the Sellers aware of any reasonable basis for any such investigation, claim, action, suit or proceeding.

3.7 No Finder. Except for UBS Investment Bank (formerly UBS Warburg LLC), to which any and all obligations relating to the transfer of the Licenses hereunder will be satisfied solely by the Sellers, no broker or finder has acted on behalf of the Sellers in connection with the transactions contemplated hereby.

3.8 Litigation. Except as set forth in Schedule 3.4(c), there is no action, claim, demand, suit, proceeding, arbitration, grievance, citation, summons, subpoena, inquiry or investigation of any nature, civil or criminal, regulatory or otherwise, in law or in equity, pending or, to the knowledge of the Sellers, threatened against or relating to the Sellers or the Licenses which seeks to enjoin or rescind the transactions contemplated by this Agreement or

otherwise prevent Sellers from complying with the terms and provisions of this Agreement or which could result in a Material Adverse Change.

3.9 Bankruptcy Filings. As of the date of this Agreement, there are no motions pending, and the Sellers are not aware of any intention of a third party to file a motion, to convert or dismiss the Chapter 11 Cases or to appoint a trustee. As of the Closing Date, there shall be no motion pending, and the Sellers shall not be aware of any intention of a third party to file a motion, to convert or dismiss the Chapter 11 Cases or to appoint a trustee which would result in a cancellation or repudiation of this Agreement or the transactions contemplated hereby. There are no motions pending or orders of the Bankruptcy Court in effect that would prevent Sellers from complying with the terms of this Agreement.

3.10 Investment Company. None of the Sellers is, nor after consummation of the transactions contemplated by this Agreement will be, an investment company, unit investment trust or face-amount certificate company under the Investment Company Act of 1940, as amended, or subject to regulation under such Act, or controlled by an investment company, unit investment trust or face-amount certificate company under such Act.

3.11 Other Representations and Warranties. Except for the representations and warranties set forth in this Agreement and the certificates delivered at Closing pursuant to Article II, no Seller is making any other representations or warranties concerning the Licenses or the Sellers.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Sellers as follows:

4.1 Organization of Buyer. Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware.

4.2 Authority of Buyer; Enforceability.

(a) Buyer has the full limited liability company power and authority to execute, deliver and perform this Agreement and any agreement, document or instrument executed and delivered pursuant to this Agreement or in connection with this Agreement. The execution, delivery and performance of this Agreement and any agreement, document or instrument executed and delivered pursuant to this Agreement or in connection with this Agreement by Buyer have been duly authorized and approved by all necessary limited liability company actions on the part of Buyer.

(b) This Agreement is the legal, valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except for the effect thereon of any applicable bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting the rights of creditors generally, and general principles of equity.

4.3 No Conflicts. Subject to the Sale Order, the Bidding Procedures Order and the FCC Consent becoming Final Orders and the HSR Approval, neither the execution and delivery of this Agreement nor the consummation of any of the transactions contemplated hereby nor compliance with or fulfillment of the terms, conditions and provisions hereof will:

(a) Violate or conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under, or require any notice to, authorization or approval of, filing with or consent under: (1) the certificate of formation or operating agreement of Buyer; (2) any note, indenture, instrument, agreement, mortgage, lease, license, franchise, permit or other authorization, right, restriction or obligation to which Buyer is a party or any of its properties is subject or by which Buyer is bound, except for the occurrence of which would not be reasonably likely to materially delay or materially impair Buyer's ability to consummate the transactions contemplated by this Agreement; (3) any Court Order to which Buyer is a party or by which it is bound; or (4) any Requirements of Laws affecting Buyer.

(b) Require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with any Person (other than filings with the Securities and Exchange Commission).

4.4 FCC Status. (i) Each of Buyer and its Affiliates holds or controls all FCC licenses necessary to the lawful operation of its business and has the requisite FCC qualifications to hold or control such FCC licenses except as would not be reasonably likely to materially delay or materially impair Buyer's ability to consummate the transactions contemplated by this Agreement, (ii) there is no pending or threatened application, petition, objection or other pleading with the FCC or other Governmental Body challenging the FCC qualifications of Buyer or any of its Affiliates to hold any of its FCC licenses, except for rule making or similar proceedings of general applicability to persons engaged in substantially the same business conducted by Buyer or any of its Affiliates and except as would not be reasonably likely to materially delay or materially impair Buyer's ability to consummate the transactions contemplated by this Agreement, (iii) Buyer and its Affiliates are qualified under FCC rules and the Communications Act to hold or control the entities which will hold the Licenses to be held by Buyer or any person under common control with Buyer after the effective time of this Agreement, and (iv) to the knowledge of Buyer, there are no facts or circumstances relating to the FCC qualifications of Buyer or any of its Affiliates that would prevent or materially delay the FCC's grant of any FCC Form 603 (or other appropriate form) application contemplated by this Agreement under FCC rules and the Communications Act.

4.5 Buyer's Financial Capability. Buyer has the financial capability, including all financing, sufficient cash or cash equivalents and/or credit facilities, necessary to consummate the transactions contemplated in this Agreement and pay the Purchase Price.

4.6 No Finder. Except for Lehman Brothers Inc., to which any and all obligations relating to the transfer of the Licenses hereunder will be satisfied solely by Buyer, no broker or finder has acted on behalf of Buyer in connection with the transactions contemplated hereby.

4.7 Litigation. There is no action, claim, demand, suit, proceeding, arbitration, grievance, citation, summons, subpoena, inquiry or investigation of any nature, civil or criminal, regulatory or otherwise, in law or in equity, pending or, to the knowledge of Buyer, threatened against or relating to Buyer which seeks to enjoin or rescind the transactions contemplated by this Agreement or otherwise prevent Buyer from complying with the terms and provisions of this Agreement.

ARTICLE V.
ACTION PRIOR TO THE CLOSING DATE

5.1 Investigation by Buyer. Sellers shall furnish to Buyer or its authorized representatives such information concerning the Licenses and Sellers as shall be reasonably requested, including all such information as shall be necessary to enable Buyer or its authorized representatives to verify the accuracy of the representations and warranties contained in this Agreement, to verify that the covenants of Sellers contained in this Agreement have been complied with and to determine whether the conditions set forth in Article VII have been satisfied. No investigation made by Buyer or its authorized representatives hereunder shall affect the representations and warranties of Sellers hereunder.

5.2 Investigation by Sellers. Buyer shall furnish to Sellers or their authorized representatives such information concerning Buyer as shall be reasonably requested, including all such information as shall be necessary to enable Sellers or their authorized representatives to verify the accuracy of the representations and warranties contained in this Agreement, to verify that the covenants of Buyer contained in this Agreement have been complied with and to determine whether the conditions set forth in Article VIII have been satisfied. No investigation made by Sellers or their authorized representatives hereunder shall affect the representations and warranties of Buyer hereunder.

5.3 Preserve Accuracy of Representations and Warranties. Each of the parties hereto shall refrain from taking any action that would render any representation or warranty of such party contained in this Agreement inaccurate in any material respect as of the Closing Date. Each party shall promptly notify the other in writing (a) of any action, suit, claim, proceeding or investigation that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transaction contemplated by this Agreement or (b) of any development causing a breach of any of the representations and warranties of such party in Articles III or IV above, as applicable. No disclosure by any party pursuant to this Section 5.3, however, shall be deemed to amend or supplement this Agreement or any of its schedules or to prevent or cure any misrepresentation, breach of warranty or breach of covenant therein.

5.4 Bankruptcy Court Order.

(a) As soon as practicable, but in no event later than twenty-four (24) hours after the execution of this Agreement, Sellers shall each file with the Bankruptcy Court and serve upon all appropriate creditors and parties-in-interest (including all such creditors and parties-in-interest as may be designated by Buyer), a motion in the form attached hereto as Exhibit G seeking (i) entry of the Bidding Procedures Order and (ii) entry of the Sale Order.

(b) Each of the Sellers shall use its best efforts to obtain the Bidding Procedures Order no later than August 29, 2003, and the Sale Order no later than October 17, 2003, subject to its obligations to comply with any order of the Bankruptcy Court (including, but not limited to, Sellers' right and ability to conduct an auction in accordance with the Bidding Procedures Order).

(c) Each of the Sellers shall promptly make any filings and use its best efforts to obtain any and all other approvals and orders necessary or appropriate for consummation of the transactions contemplated hereby, subject to its obligations to comply with any order of the Bankruptcy Court.

(d) In the event an appeal is taken, or a stay pending appeal is requested, from either the Bidding Procedures Order or the Sale Order, Sellers shall immediately notify Buyer of such appeal or stay request and shall provide to Buyer promptly a copy of the related notice of appeal or order of stay. Sellers shall also provide Buyer with written notice of any motion or application filed in connection with any appeal from either of such orders. Sellers and Buyer shall use their respective commercially reasonable best efforts to defend any such appeal.

(e) From and after the date hereof, none of the Sellers shall take any action the effect of which would be, or fail to take any action the effect of which failure to act would be, to: (i) prevent or materially impede the vesting, upon the Closing Date, of the Licenses in Buyer free and clear of all Encumbrances; or (ii) result in the reversal, voiding, modification or staying of the Bidding Procedures Order or the Sale Order. Subject to their obligations to comply with any order of the Bankruptcy Court (including, but not limited to, Sellers' right and ability to conduct an auction in accordance with the Bidding Procedures Order), each of the Sellers agrees not to file, consent to be filed or support a plan of reorganization, or file any pleadings, with the Bankruptcy Court that would be inconsistent with the terms of this Agreement or would conflict with or diminish any of Buyer's rights hereunder.

(f) Buyer shall provide such cooperation and assistance as Sellers may reasonably request in order to enable Sellers to satisfy their obligations under this Section 5.4.

5.5 Bankruptcy Filings.

(a) From and after the date of this Agreement through the Closing Date, each of the Sellers shall deliver (or cause to be delivered) to Buyer copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that are to be filed by Sellers in the Chapter 11 Cases that relate, in whole or in part, to this Agreement or Buyer, or its constituent members or its or their agents or representatives, within such time prior to the filing of such papers as may be reasonable under the circumstances before the filing of such papers.

(b) Commencing with the filing of the Sale Motion and ending on the first to occur of the Closing or the termination of this Agreement, Buyer shall not take (i) any action in the Chapter 11 Cases, including but not limited to the filing of a plan of reorganization or offer to purchase any of Sellers' assets without the prior written consent of Sellers (although nothing herein shall prevent Buyer from asserting its rights or fulfilling its obligations under this Agreement) or (ii) any actions nor file any pleadings, other than those specifically contemplated

by this Agreement, before any court or Governmental Body with respect to Sellers, the Licenses, or any of Sellers' other assets or operations without the prior written consent of Sellers (although nothing herein shall prevent Buyer from asserting its rights or fulfilling its obligations under this Agreement).

5.6 Competing Proposals.

(a) Prior to entry of the Bidding Procedures Order, none of the Sellers shall directly or indirectly, through any officer, director, employee, advisor or otherwise, solicit any Competing Proposal or participate in any negotiations with respect thereto. Following the entry of the Bidding Procedures Order and prior to entry of the Sale Order, the Sellers may not solicit any Competing Proposal, but may take all actions with respect to Competing Proposals according to the procedures set forth in the Bidding Procedures Order. Following the entry of the Sale Order, none of the Sellers shall directly or indirectly, through any officer, director, employee, advisor or otherwise, solicit any Competing Proposal or participate in any negotiations with respect thereto.

(b) From and after the date of this Agreement, Sellers shall keep Buyer informed of all Competing Proposals in accordance with the terms of the Bidding Procedures Order.

5.7 Expense Reimbursement and Break-Up Fee.

(a) Notwithstanding anything in this Agreement to the contrary, commencing on the entry of the Bidding Procedures Order, in addition to and cumulative of any rights and remedies of Buyer set forth in Section 10.1 hereof and subject to Section 5.7(d) hereof, Sellers agree, jointly and severally, to pay Buyer both the Expense Reimbursement and the Break-Up Fee in the event this Agreement is terminated:

- (i) by Buyer pursuant to Sections 10.1(d)(i) or 10.1(d)(ii); or
- (ii) by Sellers pursuant to Section 10.1(e)(i)

(b) Notwithstanding anything in this Agreement to the contrary, commencing on the entry of the Bidding Procedures Order, in addition to and cumulative of any rights and remedies of Buyer set forth in Sections 5.7(c) and 10.1 hereof, Sellers agree, jointly and severally, to pay Buyer the Expense Reimbursement in the event this Agreement is terminated:

- (i) by Buyer pursuant to Sections 10.1(b), 10.1(c), 10.1(d)(iii), 10.1(d)(v) or 10.1(d)(vii); or
- (ii) by Sellers pursuant to Sections 10.1(c), 10.1(e)(iii) or 10.1(e)(iv).

(c) Notwithstanding anything in this Agreement to the contrary, commencing on the entry of the Bidding Procedures Order, in addition to and cumulative of any rights and remedies of Buyer set forth in Sections 5.7(b) and 10.1 hereof and subject to Section 5.7(d)

hereof, Sellers agree, jointly and severally, to pay Buyer a Break-Up Fee in the event this Agreement is terminated:

(i) by Buyer pursuant to Section 10.1(b) due to a willful breach by any of the Sellers of any of the provisions of Articles I, II, V, VI, IX or XI of this Agreement; or

(ii) by Buyer pursuant to Section 10.1(d)(iii); and

with respect to clauses (i) or (ii) of this Section 5.7(c), any of the Sellers enters into any agreement (including submission of a plan of reorganization) contemplating a Competing Proposal within six months of such termination.

(d) Expense Reimbursement payments pursuant to Sections 5.7(a) or 5.7(b) shall be paid by Sellers on the business day following termination of this Agreement by wire transfer of immediately available funds to an account designated by Buyer. Break-Up Fee payments pursuant to Sections 5.7(a) or 5.7(c) shall be paid by Sellers on the business day following the first to occur of (i) the release to Sellers of any deposit made pursuant to the Bidding Procedures Order, (ii) consummation of an agreement contemplating a Competing Proposal or (iii) consummation of a plan of reorganization contemplating a Competing Proposal, by wire transfer of immediately available funds to an account designated by Buyer, provided that such Break-Up Fee payments shall be paid (y) solely out of the proceeds of such deposit or transaction or pursuant to such plan of reorganization and (z) net of any Expense Reimbursement payments actually made previously by Sellers to Buyer. All payments required to be made pursuant to this Section 5.7 shall constitute an allowed administrative expense under Section 503(b)(1) of the Bankruptcy Code, but shall be payable solely as set forth in the preceding clause. Upon any such payment of the Expense Reimbursement and the Break-Up Fee, each of the parties and their Affiliates shall be deemed fully released and discharged from any liability or obligation arising under or resulting from this Agreement (other than those provisions of this Agreement that survive termination as set forth in Section 10.2), and no party nor any of its Affiliates shall have any other remedy or cause of action under or in relation to this Agreement including, without limitation, for reimbursement of expenses incurred in connection with this Agreement and the transactions contemplated hereby.

5.8 Consents of Third Parties; Governmental Approvals.

(a) Consents. Each of the parties will use their commercially reasonable best efforts to secure, before the Closing Date, any consent, approval or waiver, in form and substance reasonably satisfactory to Buyer, from any party or Governmental Body as required to be obtained to assign the Licenses to Buyer or to otherwise satisfy the conditions set forth herein; provided that no Seller shall make any agreement or understanding affecting the Licenses as a condition for obtaining any such consent, approval or waiver except with the prior written consent of Buyer; and provided further that Buyer shall have no obligation to offer or pay any consideration in order to obtain any such consent or approval (other than as provided in Section 1.2).

(b) FCC Consents. Buyer and Sellers shall, as promptly as practicable, but in no event later than ten (10) business days following entry of the Sale Order, file with the FCC

FCC Form 603 (or other appropriate form) applications seeking consent to assign the Licenses from Sellers to Buyer. Such applications shall include a request to the FCC that it, as part of the FCC Consent, state that delivery of the FCC Direct Payment as contemplated in this Agreement (including the timing for such FCC Direct Payment) will constitute full payment, and satisfies all conditions, required under 47 C.F.R. § 1.2111 and § 24.714. To the extent any License being assigned involves a disaggregation of C Block spectrum and 10-year construction deadlines are applicable pursuant to 47 C.F.R. § 24.203, the Form 603 shall reflect that the Seller/disaggregator shall be responsible for meeting the 10-year requirement for its retained spectrum and the Buyer/disaggrantee shall be responsible for meeting the 10-year requirement for its assigned spectrum. The parties shall cooperate and use their respective reasonable efforts to prosecute such application to a favorable conclusion, including the preparation and filing of any request for waiver that the FCC indicates is necessary to grant the applications, and shall each bear their own costs for such filings. Each party shall respond with reasonable diligence and dispatch to any request for additional information made in response to such filings.

(c) HSR Filing. As soon as reasonably practicable, but in no event later than fifteen (15) business days following entry of the Sale Order, the parties will take such action, if any, as may be required to be taken by them under the HSR Act in connection with the transactions contemplated hereby. Each party will cooperate in the preparation of, and will file complete and accurate notification and report forms with respect to the transactions contemplated hereby, pursuant to the HSR Act and the rules and regulations promulgated thereunder, and will file on a timely basis such additional information and documentary materials as may be requested by any Governmental Body pursuant to the HSR Act. Each party will request early termination of the waiting period under the HSR Act. Each party shall promptly inform the other of any inquiries or communications from any such Governmental Body. Each party shall respond with reasonable diligence and dispatch to any request for additional information made in response to such filings. Each party shall pay its respective costs of compliance with the HSR Act, except that the Buyer shall be responsible for the Federal Trade Commission filing fee for any required filing under the HSR Act.

5.9 Sellers' Conduct. From the date of this Agreement until the Closing, each of the Sellers shall:

(a) use its best efforts not to surrender, or to permit an adverse modification of, revocation of, forfeiture of, or failure to renew under regular terms, any of the Licenses, or cause the FCC to institute any proceeding for the revocation, suspension, or adverse modification of any such Licenses;

(b) not take any action that is inconsistent with the FCC Term Sheet; and

(c) comply with all Requirements of Laws applicable to the Licenses.

5.10 Escrow Agent and Other Actions. Without limitation of any other provision of this Agreement, as soon as practicable after the execution of this Agreement, the parties shall use their respective commercially reasonable efforts to select an Escrow Agent and cooperate with the other to take such other actions as may be necessary to effectuate in a timely

manner the Closing after the fulfillment or waiver of the parties' respective conditions set forth in Articles VII and VIII.

ARTICLE VI.
ADDITIONAL AGREEMENTS

Sellers, from time to time after the Closing, at Buyer's request, will execute, acknowledge and deliver to Buyer such other instruments of conveyance and transfer and will take such other actions and execute and deliver such other documents, certifications and further assurances as Buyer may reasonably require in order to vest more effectively in Buyer, or to put Buyer more fully in possession of, any of the Licenses. In addition to any specific requirement set forth herein, such as set forth in Section 5.8, each of the parties hereto will cooperate with the other and execute and deliver to the other parties hereto such other instruments, documents and information and take such other actions as may be reasonably requested from time to time by any other party hereto as necessary to (a) carry out, evidence and confirm the intended purposes of this Agreement and (b) make any declaration, filing or registration with any Governmental Body, including, but not limited to, the Securities and Exchange Commission.

ARTICLE VII.
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement shall be, at the option of Buyer, subject to the satisfaction of the conditions set forth below, on or prior to the Closing Date. These conditions are solely for the benefit of Buyer and may be waived by Buyer at any time in its sole discretion.

7.1 No Misrepresentation or Breach of Covenants and Warranties. There shall have been no material breach by Sellers in the performance of any of their covenants and agreements herein. Subject to the next succeeding sentence, each of the representations and warranties of Sellers contained in Sections 3.3(c), 3.4, 3.5, 3.6, 3.8, 3.9 and 3.10 of this Agreement shall be true and correct and each of the other representations and warranties of Sellers contained in this Agreement shall be true and correct in all material respects. For the purpose of this Section 7.1, any qualification or limitation of any representation or warranty by reference to any schedule shall be disregarded in determining any inaccuracy, untruth, incompleteness or breach thereof.

7.2 No Restraint or Litigation

(a) No Governmental Body shall have commenced an action, suit, investigation or proceeding (other than, if commenced, any such actions, suits, investigations or proceedings that have been withdrawn or dismissed with prejudice prior to Closing) to restrain or prohibit or otherwise challenge the legality or validity of the transactions contemplated hereby, or which would adversely affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances following the Closing.

(b) No Person shall have commenced an action, suit, investigation or proceeding (other than, if commenced, any such actions, suits, investigations or proceedings that

have been withdrawn or dismissed with prejudice prior to Closing) which, if adversely determined, would be reasonably likely to impair or otherwise affect Buyer's interest in and right to control and operate the Licenses free and clear of Encumbrances or delay or impair any party's ability to consummate the transactions contemplated by this Agreement.

7.3 FCC Consent and HSR Approval. Notwithstanding any other provision in this Agreement, (a) the FCC shall have issued the FCC Consent (i) without any modification to the amount of the Purchase Price or the amount of the FCC Direct Payment not consented to by Buyer, (ii) without any requirement that Buyer pay any amount to the FCC or any other party (other than as contemplated in Section 1.2(a)) and (iii) without any other adverse conditions imposed on Buyer or any of its Affiliates, (b) the FCC Consent shall have become a Final Order and (c) the FCC shall have withdrawn with prejudice any appeal or challenge to the Sale Order. Without limiting the generality of the foregoing, the parties specifically agree that if the FCC Consent does not (i) (a) waive the full payment requirements and all other conditions under 47 C.F.R. § 1.2111 and § 24.714, subject to delivery of the FCC Direct Payment as contemplated in this Agreement (including the timing for such FCC Direct Payment), or (b) state that delivery of the FCC Direct Payment as contemplated in this Agreement (including the timing for such FCC Direct Payment) constitutes full payment, and satisfies all conditions, required under 47 C.F.R. § 1.2111 and § 24.714 and (ii) grant any other waivers requested necessary to implement the transfers contemplated by this Agreement, or otherwise grant such relief requested, as part of any application seeking such FCC Consent, then the FCC Consent shall be deemed to contain an adverse condition imposed on Buyer. Any approvals of the transactions contemplated by this Agreement required under the HSR Act shall have been obtained without any adverse conditions imposed on Buyer or any of its Affiliates. The applicable waiting period under the HSR Act, if applicable, shall have expired or been terminated.

7.4 Sale Order. The Sale Order shall have been entered and become a Final Order and shall not have been modified.

7.5 Necessary Consents. Sellers shall have delivered all third party consents or approvals required for Sellers to consummate the transactions contemplated by this Agreement.

7.6 Closing Deliveries. Each of the Sellers shall have made all of its closing deliveries described in Section 2.3.

7.7 No Material Adverse Change. There shall not have occurred any Material Adverse Change, or any condition or event that could reasonably be expected to result in a Material Adverse Change.

7.8 Lien Releases. Without limiting in any way the Sale Order, Buyer shall have received affirmative releases of all Encumbrances relating to the Licenses.

ARTICLE VIII.
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLERS

The obligations of Sellers under this Agreement shall be, at the option of Sellers, subject to the satisfaction of the conditions set forth below, on or prior to the Closing Date. These conditions are solely for the benefit of Sellers and may be waived by Sellers at any time in their sole discretion.

8.1 No Misrepresentation or Breach of Covenants and Warranties. There shall have been no material breach by Buyer in the performance of any of its covenants and agreements herein. Each of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects.

8.2 No Restraint or Litigation. No Governmental Body shall have commenced an action, suit, investigation or proceeding (other than, if commenced, any such actions, suits, investigations or proceedings that have been withdrawn or dismissed with prejudice prior to Closing) to restrain or prohibit or otherwise challenge the legality or validity of the transactions contemplated hereby, or which is reasonably likely to prevent Buyer from complying with the terms of this Agreement.

8.3 FCC Consent and HSR Approval. Notwithstanding any other provision in this Agreement, (a) the FCC shall have issued the FCC Consent without any (i) modification of the amount of the Purchase Price not consented to by Sellers, (ii) modification of the amount of the FCC Direct Payment not consented to by Sellers or (iii) modification of the terms of Section 3 of the FCC Term Sheet, the language of which is attached as Schedule 8.3 hereto, not consented to by Sellers that would result in a material adverse effect on Sellers and (b) the FCC Consent shall have become a Final Order. The applicable waiting period under the HSR Act, if applicable, shall have expired or been terminated.

8.4 Sale Order. The Sale Order shall have been entered and become a Final Order and shall not have been modified.

8.5 Closing Deliveries. Buyer shall have made all of its closing deliveries described in Section 2.2.

ARTICLE IX.
INDEMNIFICATION

9.1 Agreement of Sellers to Indemnify. Subject to the terms and conditions of this Article IX, each of the Sellers agrees, jointly and severally, to indemnify, defend, and hold harmless the Buyer Indemnified Parties from, against, for, and in respect of any and all Losses asserted against, imposed upon, or incurred by the Buyer Indemnified Party (whether before or after the Closing) by reason of, resulting from, based upon, or arising out of:

(a) the breach of any representation or warranty of any Seller contained in or made pursuant to this Agreement or in any certificate, Schedule, or Exhibit furnished by any Seller in connection herewith;

(b) the breach of any covenant or agreement of any Seller contained in or made pursuant to this Agreement; or

(c) any Excluded Liability.

For purposes of this Section 9.1, (i) to the extent any facts or circumstances can be deemed a breach of a representation or warranty by any Seller, or be deemed an Excluded Liability, such facts and circumstances shall be deemed to be an Excluded Liability and (ii) for purposes of determining if any representation or warranty of any Seller has been breached, any qualification or limitation of such representation or warranty by reference to any schedule shall be disregarded in determining any inaccuracy, untruth, incompleteness or breach thereof.

9.2 Agreement of Buyer to Indemnify. Subject to the terms and conditions of this Article IX, Buyer agrees to indemnify, defend, and hold harmless the Seller Indemnified Parties from, against, for, and in respect of any and all Losses asserted against, imposed upon, or incurred by the Seller Indemnified Party (whether before or after the Closing) arising out of:

(a) the breach of any representation or warranty of Buyer contained in or made pursuant to this Agreement or in any certificate, Schedule, or Exhibit furnished by Buyer in connection herewith; or

(b) the breach of any covenant or agreement of Buyer contained in or made pursuant to this Agreement.

9.3 Procedures for Indemnification.

(a) An Indemnification Claim shall be made by the Indemnified Party by delivery of a written declaration to the Indemnitor requesting indemnification and specifying the basis on which indemnification is sought and the amount of asserted Losses and, in the case of a Third Party Claim, containing (by attachment or otherwise) such other information as the Indemnified Party shall have concerning such Third Party Claim.

(b) If the Indemnification Claim involves a Third Party Claim, the procedures set forth in Section 9.4 hereof shall be observed by the Indemnified Party and the Indemnitor.

(c) If the Indemnification Claim involves a matter other than a Third Party Claim, the Indemnitor shall have twenty (20) calendar days to object to such Indemnification Claim by delivery of a written notice of such objection to the Indemnified Party specifying in reasonable detail the basis for such objection. Failure to timely so object shall constitute a final and binding acceptance of the Indemnification Claim by the Indemnitor and the Indemnification Claim shall be paid in accordance with Section 9.3(d) hereof. If an objection is timely interposed by the Indemnitor, then the Indemnified Party and the Indemnitor shall negotiate in good faith for a period of thirty (30) calendar days from the date (such period is hereinafter referred to as the "Negotiation Period") the Indemnified Party receives such objection. Subject to the provisions of Section 11.13, nothing herein shall prevent the parties from seeking equitable or injunctive relief in a court of equity with respect to such dispute.

(d) Upon determination of the amount of an Indemnification Claim that is binding on both the Indemnitor and the Indemnified Party, the Indemnitor shall pay the amount of such Indemnification Claim from the Indemnity Escrow Amount if such payment is due from the Sellers, or by wire transfer of immediately available funds if such payment is due from the Buyer, within ten (10) days of the date such amount is determined. During the pendency of the Chapter 11 Cases, any obligation of Sellers under this Article IX shall be treated as an administrative expense claim in the Chapter 11 Cases pursuant to Section 503(b)(1) of the Bankruptcy Code.

9.4 Defense of Third Party Claims.

(a) In the event a claim, suit or proceeding by a third party is made or filed against any Indemnified Party (a "Third-Party Claim"), such Indemnified Party shall promptly after the receipt of written notice of such claim, suit or proceeding notify the Indemnitor in writing of such claim, suit or proceeding and thereafter the Indemnified Party shall promptly deliver to the Indemnitor copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third-Party Claim; provided, however, that the failure of the Indemnified Party to give timely notice of any such claim, suit or proceeding or to make timely delivery of any such notices or documents shall not relieve the Indemnitor of its indemnification obligations with respect to such claim, suit or proceeding except to the extent that such Indemnitor has been materially prejudiced thereby.

(b) The Indemnitor shall have thirty (30) days (or such lesser time as may be necessary to comply with statutory response requirements for litigation claims) from receipt of the indemnification claim (the "Notice Period") to notify the Indemnified Party, (i) whether or not the Indemnitor disputes its Liability to the Indemnified Party with respect to such claim and (ii) notwithstanding any such dispute, whether or not the Indemnitor desires, at its sole cost and expense, to defend the Indemnified Party against such claim.

(i) In the event that the Indemnitor notifies the Indemnified Party within the Notice Period that it desires to defend the Indemnified Party against such claim then, except as hereinafter provided, the Indemnitor shall have the sole and absolute right after the receipt of notice, at its option and at its own expense, to be represented by counsel of its choice and to control, defend against, negotiate, settle or otherwise deal with such proceeding, claim or demand; provided, however, that the Indemnified Party may, at its election, participate in, but not control, the defense of any such proceeding, claim or demand through counsel of its own choice, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party, unless the Indemnified Party shall have been advised by such counsel that there may be one or more legal defenses available to it that are different from or in addition to those available to the Indemnitor (in which case, if the Indemnified Party notifies the Indemnitor in writing that it elects separate counsel at the expense of the Indemnitor, the Indemnitor shall not have the right to assume the defense of such action on behalf of the Indemnified Party with respect to such defenses).

(ii) Except where the Indemnitor (A) timely elects to defend the Indemnified Party against such claim or demand (in which case Sections 9.4(b)(i) and (ii) shall govern), or (B) Indemnitor disputes its Liability in a timely manner under this Section 9.4, the

Indemnitor shall be conclusively liable for the amount of any Loss resulting from such claim or defense which is unsuccessful.

(c) The Indemnified Party and the Indemnitor shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available records relating to such claim and furnishing, without expense to the Indemnitor, management employees of the Indemnified Party as may be reasonably necessary for the preparation of the defense of any such claim or for testimony as witness in any proceeding relating to such claim.

(d) Neither the Indemnitor nor the Indemnified Party may settle any such proceeding, claim or demand if such settlement obligates the other Party to pay money, to perform obligations or to admit liability without the consent of the other Party, such consent not to be unreasonably withheld. Consent shall be presumed where the Party given written notice of the proposed settlement has not responded within twenty (20) calendar days of such written notice.

(e) Within thirty (30) days after (i) any final judgment or award shall have been rendered by a court or governmental body of competent jurisdiction and the time in which to appeal therefrom has expired, (ii) a settlement shall have been consummated or (iii) the Indemnified Party and the Indemnitor shall arrive at a mutually binding agreement with respect to each separate matter alleged by the Indemnified Party to be indemnified, the Indemnified Party shall forward to the Indemnitor notice of any sums due and owing by the Indemnitor with respect to such matter, and the Indemnitor shall promptly pay all undisputed sums so owing to the Indemnified Party.

9.5 Certain Limits on Indemnification.

(a) Sellers shall not have any obligations to provide indemnification for Losses pursuant to Sections 9.1 except to the extent that the aggregate amount of all such Losses exceeds Two Hundred Fifty Thousand Dollars (\$250,000) (the "Basket Amount"), in which case Sellers shall be liable to Buyer only for such Losses in excess of the Basket Amount. The maximum obligation of Sellers to provide indemnification for Losses pursuant to Section 9.1 shall be limited to an aggregate amount equal to the Indemnity Escrow Amount.

(b) Buyer shall not have any obligation to provide indemnification for Losses pursuant to Section 9.2 except to the extent that the aggregate amount of all such Losses exceeds the Basket Amount, in which case Buyer shall be liable to Sellers only for such Losses in excess of the Basket Amount. The maximum obligation of Buyer to provide indemnification for Losses pursuant to Section 9.2 shall be limited to an aggregate amount equal to the Indemnity Escrow Amount.

(c) In the event any of the Sellers shall have filed, or consented to the filing of, a plan of reorganization with the Bankruptcy Court prior to the Closing, no Indemnified Party shall be entitled to indemnification under this Article IX unless such Indemnified Party has delivered written notice of the indemnification claim or demand to the Indemnitor prior to the later of (a) the effective date of a confirmed plan of reorganization of the Sellers and (b) three

months after the Closing Date. In the event no Seller shall have filed, or consented to the filing of, a plan of reorganization with the Bankruptcy Court prior to the Closing, no Indemnified Party shall be entitled to indemnification under this Article IX unless such Indemnified Party has delivered written notice of the indemnification claim or demand to the Indemnitor prior to the effective date of a confirmed plan of reorganization of the Sellers. Notwithstanding the preceding provisions of this Section 9.5(c), the indemnification obligations for claims or demands for which written notice is given prior to such later date shall continue until the final resolution of each such claim or demand. Sellers' obligations under this Article IX shall be included in any plan of reorganization filed by, or permitted to be filed by, Sellers.

(d) The Losses incurred by an Indemnified Party shall, for purposes of determining the threshold and maximum levels thereof in accordance with Sections 9.5(a) and 9.5(b) hereunder, be offset by any insurance proceeds actually received by the Indemnified Party with respect thereto.

(e) Except as otherwise set forth in Section 1.3 of this Agreement, the parties acknowledge and agree that their sole and exclusive remedy for monetary damages after the Closing with respect to any and all claims under this Agreement (other than claims of, or causes of action arising from fraud) shall be pursuant to the indemnification provisions set forth in this Article IX.

ARTICLE X. TERMINATION

10.1 Termination. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated:

(a) By the mutual written consent of Sellers and Buyer;

(b) By either Sellers or Buyer upon written notice to the other, in the event the other party (the "Breaching Party") has materially breached its representations, warranties, covenants or other agreements contained in this Agreement, the Bidding Procedures Order or the Sale Order and failed to cure such breach within 30 days from the date of the Breaching Party's receipt of the Termination Notice specified in this subsection; provided, however, that the party claiming such breach (i) is not itself in material breach of its representations, warranties or covenants contained herein, (ii) notifies the Breaching Party in writing (the "Termination Notice") of its intention to exercise its rights under this Agreement as a result of the breach, and (iii) specifies in such Termination Notice the representation, warranty or covenant of which the Breaching Party is allegedly in material breach;

(c) By either Sellers or Buyer upon written notice to the other, if a court of competent jurisdiction or Governmental Body shall have issued an order, decree or ruling permanently restraining, enjoining, making illegal or otherwise prohibiting the transactions contemplated by this Agreement, and such order, decree, ruling or other action shall have become final and non-appealable, or any law or other order permanently restraining, enjoining, making illegal or otherwise prohibiting the transactions contemplated by this Agreement shall have been promulgated by any Governmental Body;

(d) By Buyer if:

(i) the Bankruptcy Court approves (A) a Qualified Bid (as defined in the Bidding Procedures Order) by a Qualified Bidder (as defined in the Bidding Procedures Order) other than Buyer or (B) any other Competing Proposal;

(ii) any of the Sellers elects to pursue a Stand-Alone Plan;

(iii) (A) any of the Chapter 11 Cases are dismissed or converted to Chapter 7 of the Bankruptcy Code and neither such dismissal nor conversion expressly contemplates the transactions provided for in this Agreement or (B) a trustee is appointed for any of the Sellers and such trustee rejects the transactions contemplated by this Agreement;

(iv) the Bidding Procedures Order shall not have been entered by August 29, 2003;

(v) the Sale Order shall not have been entered by October 17, 2003;

(vi) the Buyer determines in good faith that any Material Adverse Change (other than the fact that Sellers are involved in the Chapter 11 Cases, but excluding any developments in such Chapter 11 Cases that satisfy the definition of Material Adverse Change), or any condition or event which threatens to cause a Material Adverse Change (other than the fact that Sellers are involved in the Chapter 11 Cases, but excluding any developments in such Chapter 11 Cases that satisfy the definition of Material Adverse Change), shall have occurred or been discovered since the date of this Agreement;

(vii) the transactions contemplated by this Agreement shall not have been consummated by February 28, 2004 (which date shall be automatically extended to April 30, 2004 if the sole remaining unsatisfied condition to Buyer's performance is the condition set forth in Section 7.3 and the sole remaining unsatisfied condition to Sellers' performance is the condition set forth in Section 8.3); or

(e) By Sellers (provided that no Seller is then in breach of any representation, warranty, covenant or other agreement contained in this Agreement) if:

(i) the Bankruptcy Court approves a Qualified Bid by a Qualified Bidder other than Buyer;

(ii) the Bidding Procedures Order shall not have been entered by August 29, 2003;

(iii) the Sale Order shall not have been entered by October 17, 2003; or

(iv) the transactions contemplated by this Agreement shall not have been consummated by February 28, 2004 (which date shall be automatically extended to April 30, 2004 if the sole remaining unsatisfied condition to Buyer's performance is the condition set forth in Section 7.3 and the sole remaining unsatisfied condition to Sellers' performance is the condition set forth in Section 8.3).

10.2 Effect of Termination. In the event of termination of this Agreement by either party, except as otherwise provided in the following sentence of this Section 10.2, all rights and obligations of the parties under this Agreement shall terminate without any liability of any party to any other party (except for any liability of any party then in willful breach of its covenants, representations or warranties hereunder). The provisions of Section 5.7, this Section 10.2, Article IX and Article XI shall expressly survive the expiration or termination of this Agreement.

ARTICLE XI. GENERAL PROVISIONS

11.1 Confidential Nature of Information. Each party will treat as confidential all documents, materials and other information which it shall have obtained regarding the other party during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein, and the preparation of this Agreement and other related documents, all in accordance with the terms of the Non-Disclosure Agreement ("NDA") dated February 22, 2003 by and between Sellers and Buyer. Notwithstanding anything herein or in the NDA to the contrary, the parties agree and acknowledge that: (a) each party (and each employee, representative, or other agent of each party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to each party relating to such tax treatment or tax structure (provided that the confidentiality provisions of this Agreement and the NDA shall continue to apply to information that is irrelevant to understanding the tax treatment or tax structure of the transactions contemplated hereby and thereby); and (b) Sellers may disclose to the Creditors' Committee, the DIP Lender and the FCC and their respective counsel and advisors the terms and conditions of this Agreement. Notwithstanding the foregoing, the parties hereto acknowledge and understand that in connection with seeking the Sale Order and implementation thereof, this Agreement (together with the exhibits and schedules attached hereto) will be filed with the Bankruptcy Court and made publicly available, and the parties agree that such filing will not be deemed to violate any confidentiality obligations owing to any party, whether pursuant to this Agreement, the NDA or otherwise. This Section 11.1 shall not in any way limit the disclosure of information by the parties hereto for purposes of obtaining the necessary approvals required in connection with the consummation of the transactions contemplated by this Agreement or by Sellers in connection with the administration of the Chapter 11 Cases.

11.2 No Public Announcement; Press Releases. No party shall, without the approval of the other, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except as and to the extent that any such party shall be so obligated by law, in which case the other party shall be advised and the parties shall use their reasonable efforts to cause a mutually agreeable release or announcement to be issued; provided, however, that the foregoing shall not preclude communications or disclosures necessary to implement the provisions of this Agreement, to comply with accounting and Securities and Exchange Commission disclosure obligations or applicable FCC disclosure obligations; and provided, further, that Sellers and Buyer each hereby consent to the other party